GOVERNMENT OF INDIA
STEEL
LOK SABHA

STARRED QUESTION NO:53
ANSWERED ON:17.07.2002
REVIVAL OF IISCO
BASUDEB ACHARIA

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Government approved the proposal to revive Indian Iron & Steel Company;

(b) if so, the details thereof;

(c) whether it is also a fact that Government has submitted revival proposal in respect of IISCO to Board of Industrial & Financial Reconstruction; and

(d) if so, whether BIFR has taken any decision in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): Government has approved a revival package for Indian Iron & Steel Co. (IISCO) which inter alia includes grants for financing a Voluntary Retirement Scheme (VRS) in Kulti Works, which is to be closed down.In addition, it has been decided to provide Govt. guarantees to raise money for financing VRS in Burnpur Works, mines & collieries, as well as for capital expenditure in these units. This is, however, subject to the Government of West Bengal conveying its approval to provide waiver of past dues and also exemption from payment of sales tax (without any monetary ceiling), electricity duty, royalty & cess and municipal tax for the next five years.

(c)&(d): As directed by BIFR Steel Authority of India Ltd. (SAIL) has submitted a rehabilitatioproposal based on the above Government approvals, to the IDBI, the Operating Agency for IISCO.